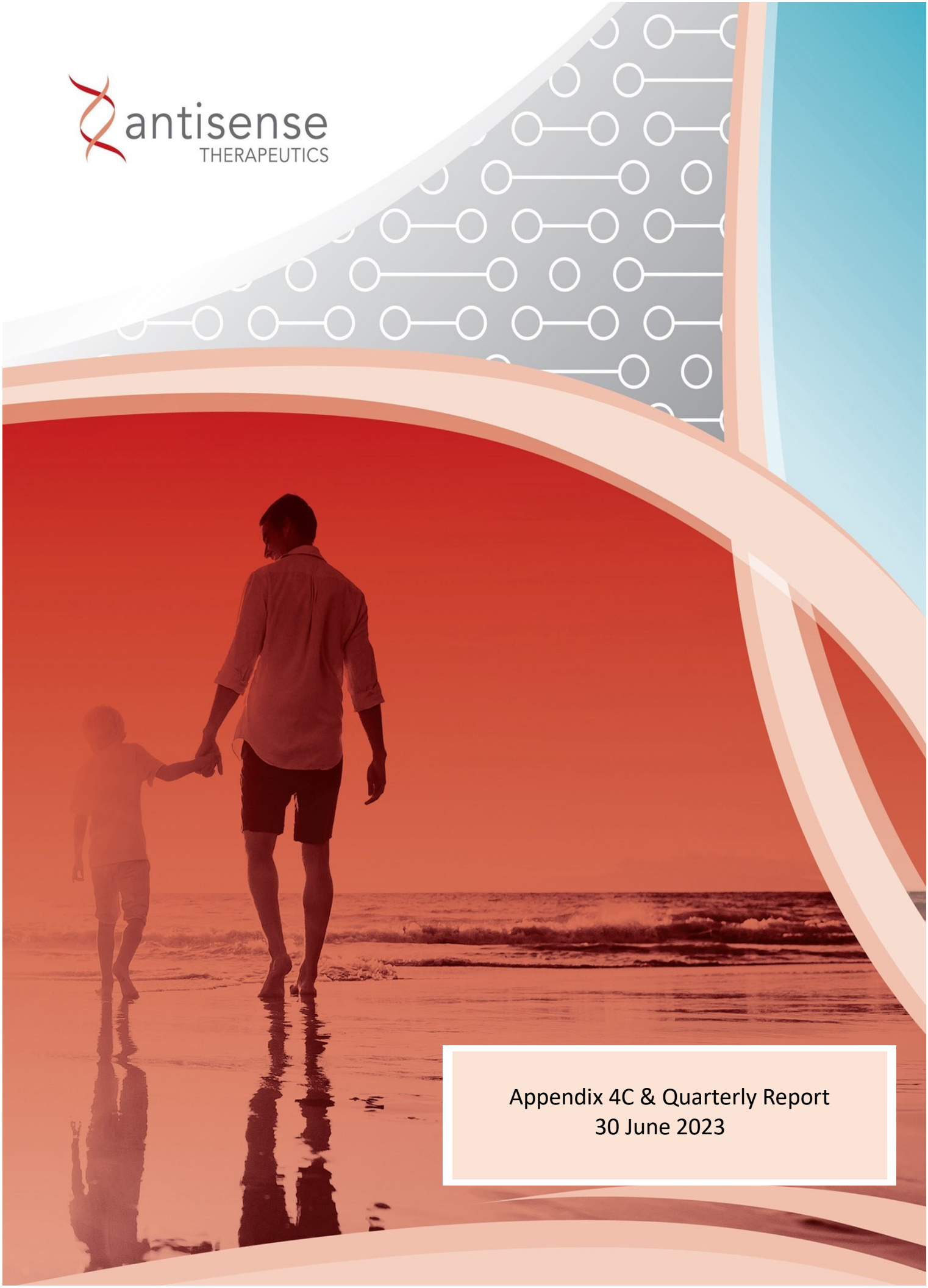
antisense THERAPEUTICS



Appendix 4C & Quarterly Report
30 June 2023

ASX Announcement

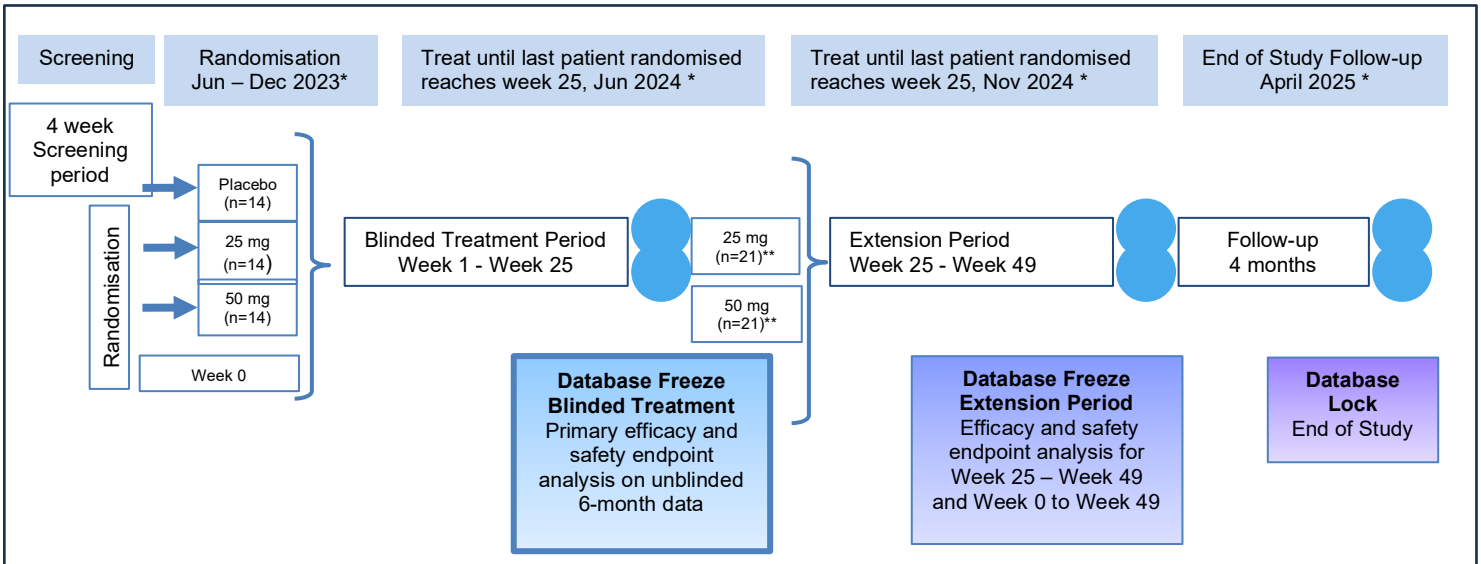
28 July 2023

Quarterly Activities Report & Appendix 4C

Antisense Therapeutics Limited (Antisense or Company) is pleased to provide its Appendix 4C and quarterly update for the period ended 30 June 2023.

Approvals received for ATL1102 Phase IIb DMD clinical trial in all four countries.

During the quarter and following regulatory approval in Turkey earlier in the year, the Company received remaining approvals from the regulatory authorities in Bulgaria, Australia and the UK to conduct a Phase IIb trial of its drug ATL1102 in non-ambulant boys with Duchenne muscular dystrophy (DMD) with the following design:



Overall Study Design

Multicentre, randomised, double-blind, placebo controlled and open label extension study to assess the efficacy, safety and PK profile of 25mg and 50mg doses of ATL1102 administered by sc injection once weekly for 49 weeks in 45 non-ambulant DMD study participants.
ClinicalTrials.gov ID NCT05938023

* Estimated timelines based on initial study feasibility conducted in 2022. Subject to change and reassessment during actual study
**Placebo patients split between 25 and 50 groups

The trial is expected to enrol 45 participants from multiple sites in Europe and Australia and will involve a six-month regimen of either placebo, 25 mg or 50 mg of ATL1102 once weekly via subcutaneous injection. Following this, participants will continue into a further six-month extension treatment period with placebo patients randomised to either the 25 mg or 50 mg ATL1102 groups.

Patient dosing has commenced in ATL1102 Phase IIb DMD Trial

Recruitment has commenced in the multicentre double-blind, placebo-controlled Phase IIb trial of ATL1102 in non-ambulant boys with DMD and the first participant was randomised and dosed with ATL1102 or Placebo in Turkey on 06 June 2023. This first patient was enrolled by Professor Haluk Topaloglu MD, Yeditepe University Kosuyolo Hospital Istanbul, Turkey.

The Phase IIb trial, led by Coordinating Principal Investigator Professor Thomas Voit MD, University College London United Kingdom (UK), will evaluate the effect of ATL1102 on upper limb muscle function

in non-ambulant participants with DMD, as assessed by (i) difference in the Performance of Upper Limb Module for DMD 2.0 (PUL 2.0) score against placebo at 6 months; (ii) stabilisation or improvement of clinical effect after 12 months of treatment; and (iii) the clinical impact of delayed treatment between the placebo and active treatment groups.

ATL1102 toxicology study

During the quarter the nine-month chronic monkey toxicology study of ATL1102 for treatment of Duchenne muscular dystrophy (DMD) continued. As of week, ending 30 June 2023, 16 (of 40) doses had been administered and tolerated. Dosing of all animals is on track to be completed by December 2023 with study outcomes expected to be reported in the first half of 2024. Successful completion of the toxicology study is necessary for the FDA to allow dosing of ATL1102 for a term longer than six months in the US, and could lead to expedited program status, including Fast Track or Breakthrough Therapy designation.

Subsequent to the end of the quarter

Screening and randomisation of patients in ATL1102 Phase IIb trial is progressing well with five boys having received their first dose of ATL1102 or Placebo as of 24 July 2023 and an additional five boys in screening in Turkey. Site activation in the other countries is ongoing with a further site scheduled to open imminently, four sites with activation activities confirmed for August and one for September. The Antisense clinical operations team and Parexel are working closely with remaining sites to expedite contract completion with more activation activities scheduled as contracts are finalised. Investigators and their DMD patient families remain excited about participation in the study and are eagerly awaiting commencement of their involvement in the study.

Presentation at Parent Project Muscular Dystrophy (PPMD) 9th annual conference

(29 June to 1 July 2023)

Dr. Gil Price, non-executive director, attended the PPMD annual meeting in Dallas, Texas where his abridged presentation on the Phase IIb study was well received. Additionally, he met with several key patient advocates and with representatives from other pharma companies working in the DMD space. Please follow link to full PPMD presentation.

Capital Raising

On 18 July 2023, the Company announced it had raised $8.35m under a share placement within the Company's placement capacity substantially supported by the Company's major shareholder Platinum Asset Management, on behalf of Platinum International Health Care Fund and Platinum World Portfolios Plc – Platinum World Portfolios Health Sciences Fund, as cornerstone investor subscribing for $4 million as well as other institutional and sophisticated investors subscribing for the balance. In addition, the Company proposes to undertake a share purchase plan (SPP) for eligible existing shareholders, to provide an opportunity for them to participate in the capital raising on the same terms as investors under the institutional placement.

The new funds facilitate advancing the ongoing international Phase IIb Clinical Trial ATL1102 program in Duchenne muscular dystrophy, as well as for ongoing working capital. In relation to the clinical program the funding will support all randomised patients receiving six months of treatment, with Placebo or 25 mg or 50 mg ATL1102, the primary efficacy and safety endpoint analysis, and the transition of the patients into the extension phase where they all receive a further six months of 25 mg or 50 mg ATL1102. Additionally, the funding will be applied to regulatory agency engagement, patient advocacy and corporate development interactions.

Launch of Share Purchase Plan (SPP) for Eligible Shareholders

On 20 July 2023, the Company launched a Share Purchase Plan to enable eligible shareholders to purchase up to $30,000 of new shares in the company at the same price as the recent institutional placement. The SPP is intended to provide an opportunity for existing holders to strengthen their positions on the same terms as institutional investors.

The SPP will open for subscriptions on 28 July 2023 and is anticipated to close on 16 August 2023, although the company may vary the duration of the plan at its discretion. Eligible shareholders may apply for up to $30,000 of new shares in pre-defined tiers, which will be issued without incurring brokerage or other costs.

Any proceeds from the SPP will be applied to similar purposes as the recent institutional placement: specifically, the advancement of the ongoing international phase IIb clinical trial of ATL1102 in Duchenne muscular dystrophy and working capital.

Chief Executive Officer and Managing Director Appointment

Following completion of the executive recruitment process undertaken by the Company following the AGM in 2022, the Board has appointed Dr James Garner MBBS MBA as Chief Executive Officer (CEO) and Managing Director (MD). Dr Garner joined the Board as non-executive director on 8 May 2023 ahead of assuming the roles of MD & CEO as of 07 August 2023.

To ensure a smooth transition until James is settled in his CEO and MD duties, Charmaine Gittleson assumed the role of Executive Chair.

Cash Flow

An Appendix 4C Quarterly Cash Flow Report is attached to this announcement.

As detailed in the attached Appendix 4C, the Company had $10.97 million at 30 June 2023. The net cash used in operating activities during the quarter was $3.92 million with direct Staff costs and Research and Development expenditure accounting for 92% of the operating expenditure.

Subsequent to 30 June 2023, the Company raised $8.35 million via a Placement to sophisticated and institutional investors and announced the plans to raise further funds via a Share Purchase Plan.

The Company is focused on deploying its existing cash reserves in the most effective manner for advancing the ATL1102 in DMD clinical development program and the nine-month chronic monkey toxicology study of ATL1102 as well as progressing the new indications for ATL1102, e.g. Limb Girdle (MDR2), dystrophin restoration combination study.

During the quarter the Company made payments to related parties of the entity and their associates as disclosed in Item 6 of the Appendix 4C amounting to $298,435. The payments are related to salaries, directors' fees and consulting fees on normal commercial terms.

This announcement has been authorised for release by the Board.
For more information please contact:

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Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity	
Antisense Therapeutics Limited	
ABN	**Quarter ended ("current quarter")**
41 095 060 745	30 June 2023

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (12 months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) research and development	(2,924)	(6,400)
	(b) product manufacturing and operating costs	-	-
	(c) advertising and marketing	(33)	(469)
	(d) leased assets	(18)	(106)
	(e) staff costs	(700)	(2,023)
	(f) administration and corporate costs	(399)	(1,585)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	88	358
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	1,781
1.8	Other (provide details if material)	66	192
1.9	**Net cash from / (used in) operating activities**	**(3,920)**	**(8,252)**

Consolidated statement of cash flows		Current quarter $A'000	Year to date (12 months) $A'000
2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	(14)
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	**-**	**(14)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	**Net cash from / (used in) financing activities**	-	-

Consolidated statement of cash flows		Current quarter $A'000	Year to date (12 months) $A'000
4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	14,887	19,233
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(3,920)	(8,252)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	(14)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**10,967**	**10,967**

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter $A'000	Previous quarter $A'000
5.1	Bank balances	467	387
5.2	Call deposits	10,500	14,500
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**10,967**	**14,887**

6.	Payments to related parties of the entity and their associates	Current quarter $A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	298
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	-	-

7.5	**Unused financing facilities available at quarter end**	-

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	**(3,920)**
8.2	Cash and cash equivalents at quarter end (item 4.6)	**10,967**
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	10,967
8.5	**Estimated quarters of funding available (item 8.4 divided by item 8.1)**	3

Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.

8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:

8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: N/A

8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: N/A

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 28 July 2023

Authorised by: By the Board
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.